

## AN ACT

ENTITLED, An Act to exempt the higher education savings program accounts from certain claims of creditors.

BE IT ENACTED BY THE LEGISLATURE OF THE STATE OF SOUTH DAKOTA:

Section 1. That § 13-63-20 be amended to read as follows:

13-63-20. Notwithstanding any other provision of law, any amount in or credited to any account is exempt from and is not susceptible to any levy, execution or judgment, or other operation of law, garnishment, or other judicial enforcement. Amounts in an account are not an asset or property of the account owner, contributor, or designated beneficiary for the purposes of paying any debt or liability of any account owner, contributor, or designated beneficiary. No account is subject to involuntary transfer or alienation. Neither an account owner nor a designated beneficiary may use an interest in an account as security for a loan. Any pledge of an interest in an account is of no force and effect. Amounts in an account may not be included in the gross estate of the account owner or contributor for purposes of state tax law, except to the extent that amounts in an account may be includable in the gross estate of the account owner or contributor for purposes of federal tax law. However, any funds in an account that have been contributed within one year prior to the account owner or contributor filing a petition under any chapter of Title 11 of the United States Bankruptcy Code are not exempt by the provisions of this section.

An Act to exempt the higher education savings program accounts from certain claims of creditors.

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I certify that the attached Act  
originated in the

SENATE as Bill No. 32

\_\_\_\_\_  
Secretary of the Senate  
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\_\_\_\_\_  
President of the Senate

Attest:

\_\_\_\_\_  
Secretary of the Senate

\_\_\_\_\_  
Speaker of the House

Attest:

\_\_\_\_\_  
Chief Clerk

Senate Bill No. 32

File No. \_\_\_\_\_

Chapter No. \_\_\_\_\_

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Received at this Executive Office  
this \_\_\_\_\_ day of \_\_\_\_\_ ,

20\_\_\_\_ at \_\_\_\_\_ M.

By \_\_\_\_\_  
for the Governor  
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The attached Act is hereby  
approved this \_\_\_\_\_ day of  
\_\_\_\_\_, A.D., 20\_\_\_\_

\_\_\_\_\_  
Governor

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STATE OF SOUTH DAKOTA,  
ss.  
Office of the Secretary of State

Filed \_\_\_\_\_, 20\_\_\_\_  
at \_\_\_\_\_ o'clock \_\_ M.

\_\_\_\_\_  
Secretary of State

By \_\_\_\_\_  
Asst. Secretary of State